

WASHBURN UNIVERSITY

Accounting Office

Basic FOAPAL Definitions for Washburn University

Introduction – Section 1

This document formally defines the Banner FOAPAL elements used for transactions recorded on the books for Washburn University. It also provides examples of the proper coding of various types of transactions.

“FOAPAL” is the Banner term for the accounting code assigned to transactions. The term is an acronym derived from the names of the six primary elements of the accounting code: **F**und, **O**rganization, **A**ccount, **P**rogram, **A**ctivity, and **L**ocation.

Banner accounting transactions consist of one or more “accounting lines.” Each accounting line includes, among other information, a FOAPAL which tells accounting where to charge the expense or revenue to in our accounting system.

FOAPAL Elements

Each of the six elements making up the FOAPAL acronym are discussed in great detail in the subsequent sections of this guide. For introductory purposes, these elements, and the chart element, are briefly defined here. A FOAPAL is a string that allows for identification of transactions for the accounting department.

Chart of Accounts (COA)

The COA element is the key identifier of the entity whose transactions are being accounted for. The COA code for all accounting lines of transactions recorded on the books of Washburn University must be entered as **W**. The COA code for all accounting lines of transactions recorded on the books of Washburn Institute of Technology must be entered as a **K**. We have separate payment voucher to account for this and the Dynamic Forms payment voucher has a drop down for you to select the campus (Washburn or Washburn Tech) to account for this as well.

Fund (F)

Each Banner fund contains a self-balancing set of accounts, where the sum of the asset account balances equals the sum of the liability and net asset account balances (see below for further discussion of the Account element). In basic terms, the fund provides information about the source of funding, the allowable uses of money in the fund, and/or whether the fund is restricted or unrestricted. Analogy: your checking account vs your savings account.

Banner funds have been organized hierarchically in such a way as to allow appropriate grouping for both the audited GAAP-basis financial statements and the legacy fund structure reported in the University’s annual financial report.

A Fund code is required for all Banner Finance accounting lines.

Organization (O)

Banner organization codes (usually referred to as “org codes”) normally identify the University department or “budget unit” receiving revenues or making expenditures.

In addition to the “second level” org codes relating to the operating areas of the University, there are two org codes used for transactions that pertain to the University as a whole: 000000 (used only by Banner processes and by Budget and Accounting Office staff) and 999999 (a universal access org code visible by all Banner Finance users).

Special purpose org codes are established each year for approved capital improvement, other equipment, and technology equipment purchases. Miscellaneous capital projects funded from various other sources are also assigned a special purpose org code unless/until the project is of such scope that a separate Building Construction Fund project is required.

i Org codes are required only for those accounting lines affecting revenue, expense or transfer accounts in the Banner Finance module. Accounting lines hitting asset, liability or net asset accounts do not require an org code; *the org code field should be left blank for these transactions.*

Account (A)

The Account is used to account for transactions based on the source or purpose of the transaction. Banner accounts identify the specific type of revenue (e.g., tuition, sales taxes, etc.), expense (e.g., office supplies, payroll expense, etc.), asset (e.g., cash, accounts receivable, etc.), liability (e.g., accounts payable, bonds payable, etc.) or net asset (e.g., restricted, unrestricted, etc.) a transaction represents.

An account code is required for all Banner Finance accounting lines. **You should use the appropriate account that best describes the purchase (or revenue)** not randomly pick an account where you have budgeted funds. We need to correctly post what the purchase was for regardless if you have funds budgeted in that line. We use a bottom line budget so as long as your total budget for all budget lines is not over budget, you are ok.

Program (P)

The program code is used to capture the functional classification (e.g., instructional expense, student services, research, Academic Support, etc.) of revenues and expenditures. The definitions used are those required for proper presentation of the GAAP financial statements under GASB 34. Washburn uses the specific functional definitions set out in NACUBO’s *Financial Accounting and Reporting Manual for Higher Education*.

It is important to use the proper program code assigned to your area as our annual financial reports, audit and IPEDS reporting depend on us accurately reporting the functional area benefiting from the revenue or expenditure.

i As with org codes, program codes are only required for revenue, expense and transfer transactions. *The program code field should be left blank for accounting lines hitting*

asset, liability, and net asset accounts. Always call the Finance department if you have questions.

Every accounting line in a Banner Finance transaction must contain the FOAP elements (F and A only for assets, liabilities and net assets). The other two FOAPAL elements, activity codes and location codes, are generally optional for revenue, expenditure and transfer accounting lines, and are not used for asset, liability and net asset accounting lines.

Activity (A)

Activity codes are user-defined codes which individual departments may request when they want to be able to query revenue and expense transactions using criteria that are not provided by the required FOAPAL elements. Typically, departments request activity codes to be able to track expenses by event (e.g., Chemistry Day or a lecture series), by category (e.g., risk management or employee relocation) or for any other need not addressed by the FOAP elements.

Although departments may request activity codes at any time, and may use them for virtually any purpose, the codes must be set up in Banner by the Accounting Office before they can be used. In addition, the Accounting Office may disapprove an activity code request when the request duplicates or substantially duplicates an existing FOAP element.

Because activity codes are user-specific and are frequently added and deleted, there is no detailed listing of such codes later in this document. Please call the Accounting office if you need a activity code looked up.

Location (L)

Location codes are used to identify specific physical locations around campus. A “location” may be a building, a tower, grounds, infrastructure, etc. Most transactions have no need of a location code. However, location codes are required by the Banner fixed asset module to identify the physical location of each capital asset inventory item.

The Facilities Services department also uses location codes to help track maintenance and repair costs by location. The detailed location codes used in Banner are also used in Facilities Services’ TMA work order system.

Because only a limited amount of offices will use the location code, there is no detailed listing of such codes later in this document. Please call the Accounting office if you need a location code.

Fund Codes - Section 2

Banner fund codes are organized in a hierarchical structure. At the highest level are Level 1 fund types. The next level is the Level 2 fund type, which breaks down the Level 1 fund type into useful groupings.

Funds generally consist of six alphanumeric characters (letters and numbers only), although non-scholarship gift and endowment income funds have four-digit numbers which are the same as the corresponding account held at the Washburn Foundation.

Because of the multitude of fund codes in Banner, the table below shows only “roll-up” funds and certain data entry funds that are used frequently by the Washburn campus community are listed. Other Fund Type’s only used by Finance and Budget offices are not listed.

Hierarchy levels are denoted as Lx (e.g., L1 is Level 1); fund types are abbreviated FTYP and fund codes are denoted as FUND. Information is current as of February 2021. Please keep in mind this is only a very short list of funds to show as samples.

L1 FTYP	L2 FTYP	L1 Fund	L2 Fund	L3 Fund	L4 Fund
01	Unrestricted	Unrestricted funds are those that account for the general operations of the University, have been designated by University management for specific operating purposes, and/or have no donor-imposed restrictions.			
	10	<i>Unrestricted</i>			
		100000 General Fund	The General Fund is used to record transactions relating to the University’s primary operations. These transactions include operating revenues (e.g., tuition, sales tax revenue, etc.) and operating expenses (e.g., salaries and wages, other operating expenses, etc.). Auxiliary operations are accounted for in separate funds under L1 FTYP 03.		
	11	<i>Current Designated</i>			
		110 Current Designated	The funds within this category are used to account for discretionary funds earmarked by the President for executive staff. We have many Current Designated funds.		
		111 Student Organizations	The funds within this category are used to account for student activity fees allocated to/administered by various student organization.		
			111000	WSGA Operations	
			111100	Student Media	
			111200	Washburn Student Bar Association	
			111300	Campus Activities Board	
		112 Other Designated Funds	Funds in this category are set up to account for funds earmarked by the University, not by donors or by legal restrictions, for specific purposes.		

L1 FTYP	L2 FTYP	L1 Fund	L2 Fund	L3 Fund	L4 Fund
02	Current Restricted	Current restricted funds are those that account for revenue and expenditures that are restricted by the terms of a donor gift or by legal restrictions. "Current" means that the money available in these funds can be utilized for operating-type expenses and is not restricted to capital purchases.			
	20	<i>Restricted – Scholarships and Student Aid</i>			
		200 Federal Title IV	Funds in this category account for Title IV financial aid (Pell grants, SEOG, federal work study, Perkins loans, etc.).		
			200008	Pell grants (Washburn Tech's if 200009)	
			200106	SEOG	
			200200	Federal work study	
			200300	Perkins loans	
		201 State Student Aid	The funds in this category account for state work study and any other state-administered financial aid programs		
		202 Scholarships	Funds in this category account for all scholarship awards made from non-endowment private gifts and governmental scholarship programs.		
			2020xx	International Students	
			2022xx	Current gift scholarships	
			2023xx	External trust scholarships	
			2024xx	State of Kansas scholarships	
		203 Endowed Scholarships	Funds in this category account for scholarship awards funded by endowment earnings.		
			203xxx	We have hundreds of these types of scholarship funds	
	21	<i>Restricted – Grants and Contracts</i>			
		210 Federal Grants			
			2100xx	Department of Education	
			2101xx	Department of Commerce	
			2103xx	Other federal grants and contracts	
		211 State Grants			
			2110xx	Department of Education	
			2111xx	Kansas Board of Regents	
			2112xx	Other state grants and contracts	

L1 FTYP	L2 FTYP	L1 Fund	L2 Fund	L3 Fund	L4 Fund
		212 Other Grants			
			2120xx	Local businesses	
			2121xx	Local governments	
			2122xx	Foundations and other	
	22	<i>Restricted – Special Contributions</i>			
		22xxxx	Funds in this category account for non-scholarship, non-endowment revenues received.		
	23	<i>Restricted – Other</i>			
		23xxxx	Funds in this category are restricted either by state law, endowment requirements, or other restrictions placed on the funding from the donors.		
03	Auxiliary Funds	Auxiliary funds are used to account for the operations of the University’s auxiliary operations, those operations that are intended to fund their operations to a significant extent from their own revenue streams.			
		300000 Residential Living	This fund is used to account for operations of the University’s housing operations (5 residential facilities, plus an administrative office).		
		310000 Memorial Union	This fund is used to account for operations of the University’s student union operations (bookstore, dining services, vending/concessions, iCard office and the administrative office).		
08	Agency Funds	This fund is used to account for campus student clubs and organizations revenue and expenses.			
		800000	This fund is used to account for the operations of University clubs and organizations that need the ability to deposit funds and pay for expenses they have throughout the school year. Each organization will have a specific account (similar to a bank account) within this Agency fund.		
09	Capital Projects Funds	These funds are used to account for capital projects funded from University resources.			
		9xxxxx	These funds are used to account for the approved capital projects, equipment projects, technology projects, and other major building and renovation projects.		

Organization Codes - Section 3

Much like Fund codes, Org codes are also organized hierarchically in such a way as to allow appropriate grouping within departments for special reporting at year end. Washburn University org codes are 6 digits while Washburn Tech's org codes are only 4 digits.

Each department will have its own unique code. Some departments have several depending on how we are reporting different areas within the one department. Your department will know what your org codes are that should be used.

If you do a budget query you will only see the org codes you have been assigned access to view. If you are trying to do a journal voucher or pay another department and need their org code please reach out to them or the Accounting office to make sure the correct org is used for the entry.

As a general rule group org codes within a hierarchical structure. General groupings are as follows for the first digit:

- 1 – President's office
- 2 – University - Overall
- 3 – VPAA areas
- 4 – VPAT areas
- 5 – Student Life areas
- 6 – Student Services areas
- 7 – Athletic areas

Account Codes - Section 4

Account codes are used to account for transactions based on the source or purpose of the transaction. For example, tuition revenue, other income, salary and benefit expense, operating expense, transfers, etc. Account codes are always six digits long. Below just shows the first two digits with the description of the type of account.

A) Revenue accounts begin with 5; second digit tells what kind of revenue:

- 50 – Tuition and fees
- 51 – Tax revenues
- 52 – Government appropriations
- 53 – Endowment and gift income
- 54 – Grant and contract income
- 55 – Investment income
- 56 – Other sales and services
- 57 – Other revenues
- 58 – Interdepartmental sales and services
- 59 – Auxiliary sales and services

B) Salary and benefit expense accounts begin with 6

- 60 – Salaries and wages
- 64 – Employee benefits
- 67 – Other payroll costs

C) Other operating expenses begin with 7

- 70 – Services
- 71 – Goods or commodities
- 72 – Capital expenditures
- 73 – Grants, claims and shared revenues
- 74 – Debt service
- 75 – Other expenditures
- 76 – Depreciation

D) Transfers begin with 8

- 80 – Transfers in
- 81 – Transfers out

Program Codes - Section 5

Program codes are used to identify the functional purpose of a revenue or expenditure. A functional expense classification is a method of grouping expenses according to the purpose for which the costs are incurred. The classifications tell *why* an expense was incurred rather than *what* was purchased. Reporting expenses by functional classification helps donors, granting agencies, creditors, and other readers of the financial statements to understand the various mission-related activities of the institution and their relative importance. Program codes are five digits long.

Income Program Codes:

When booking income, the following program codes are the only two program codes that can be used:

- 10000 – Operating Income
- 20000 – Nonoperating Revenue

Expense Program Codes:

Below is a list showing the first two digits and the functional area it represents for any expense to be booked (please contact accounting for the full list of program codes for your area):

- 11 – Instruction
- 12 – Research
- 13 – Public Service
- 14 – Academic Support
- 15 – Student Services
- 16 – Institutional Support
- 17 – Operation and Maintenance of Plant Expenses
- 18 – Scholarships and Fellowships
- 19 – Auxiliary Enterprises
- 21 – Nonoperating Expenses
- 30 – Mandatory Transfers
- 35 – Non-mandatory Transfers
- 40 - Agency Accounts